
ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013



A Professional Accounting Corporation

www.pncpa.com

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

The Board of Directors
Ascension Economic Development Corporation
Ascension Economic Development Foundation
Sorrento, Louisiana

We have reviewed the accompanying consolidated statements of financial position of Ascension Economic Development Corporation and Ascension Economic Development Foundation (nonprofit organizations) as of December 31, 2014 and 2013, and the related consolidated statements of activities and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Organization's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the consolidated financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the consolidated financial statements.

Our responsibility is to conduct the review in accordance with the Statements on Standards for accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the consolidated financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Our review was made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the consolidated financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. The supplementary information included on pages 9 – 11 are presented only for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we did not become aware of any material modifications that should be made to such information.

Postlethwaite & Netterville

June 17, 2015

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2014 AND 2013

ASSETS

	<u>2014</u>	<u>2013</u>
<u>CURRENT ASSETS</u>		
Cash and cash equivalents	\$ 68,981	\$ 127,477
Restricted cash	276,729	185,491
Certificates of deposit	25,784	25,666
Total current assets	<u>371,494</u>	<u>338,634</u>
 <u>PROPERTY AND EQUIPMENT, net</u>	 <u>9,799</u>	 <u>8,773</u>
TOTAL ASSETS	<u>\$ 381,293</u>	<u>\$ 347,407</u>

LIABILITIES AND NET ASSETS

<u>LIABILITIES</u>		
Accounts payable and accrued expenses	\$ 12,645	\$ 11,680
Total current liabilities	<u>12,645</u>	<u>11,680</u>
 TOTAL LIABILITIES	 <u>12,645</u>	 <u>11,680</u>
 <u>NET ASSETS</u>		
Unrestricted		
Designated by the Board for strategic initiatives	276,729	185,491
Undesignated	91,919	150,236
TOTAL NET ASSETS	<u>368,648</u>	<u>335,727</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 381,293</u>	 <u>\$ 347,407</u>

See accompanying notes and independent accountant's review report

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

CONSOLIDATED STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<u>REVENUES</u>		
Contributions	\$ 483,667	\$ 422,810
Grants	-	20,459
Interest income	206	368
Total revenues	<u>483,873</u>	<u>443,637</u>
<u>EXPENSES</u>		
Salaries	193,869	173,471
Payroll taxes and benefits	55,056	54,298
Travel and entertainment	14,862	17,304
Legal and professional fees	4,049	10,837
Office	10,453	11,985
Depreciation	2,112	2,345
Insurance and utilities	9,453	9,598
Rent	9,668	12,547
Marketing and research	16,823	24,981
Repairs and maintenance	10,050	-
Incentive study	119,225	83,337
Other	5,332	4,959
Total expenses	<u>450,952</u>	<u>405,662</u>
CHANGE IN NET ASSETS	32,921	37,975
NET ASSETS AT BEGINNING OF YEAR	<u>335,727</u>	<u>297,752</u>
NET ASSETS AT END OF YEAR	<u>\$ 368,648</u>	<u>\$ 335,727</u>

See accompanying notes and independent accountant's review report

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 32,921	\$ 37,975
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	2,112	2,345
Changes in operating assets and liabilities:		
Certificates of deposit	(118)	35,019
Accounts payable and accrued expenses	965	10,942
Net cash provided by operating activities	<u>35,880</u>	<u>86,281</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	<u>(3,138)</u>	<u>(5,367)</u>
Net cash used in investing activities	<u>(3,138)</u>	<u>(5,367)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	32,742	80,914
CASH AND CASH EQUIVALENTS, including restricted cash		
Beginning of Year	312,968	232,054
End of Year	<u>\$ 345,710</u>	<u>\$ 312,968</u>

See accompanying notes and independent accountant's review report

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Significant Accounting Policies and Presentations

Organization and Purpose

The Ascension Economic Development Corporation (the Corporation) is a non-profit corporation which was organized to promote economic development for the Parish of Ascension and is funded by the Parish of Ascension, the City of Gonzales, Industrial Development Board, and the business community in Ascension Parish.

The Corporation's board of directors are appointed by the Parish of Ascension, the Ascension Chamber of Commerce, the City of Gonzales, and the President of the Parish of Ascension.

The Ascension Economic Development Foundation (the Foundation) is a non-profit corporation which was organized to support the Corporation through fundraising activities.

Basis of Presentation

The consolidated financial statements of the Corporation and the Foundation have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

The Corporation and the Foundation report information regarding financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Corporation and the Foundation do not have permanently restricted net assets.

Cash Equivalents

The Corporation and the Foundation considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported as net assets released from restrictions.

Grant Recognition

Grants that represent exchange transactions are recorded as a receivable when the grant costs are incurred and reimbursable.

Grants that represent contributed support are recognized in the same manner as contributions.

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Significant Accounting Policies and Presentations (continued)

Grant Recognition

Grants that represent exchange transactions are recorded as a receivable when the grant costs are incurred and reimbursable.

Grants that represent contributed support are recognized in the same manner as contributions.

Income Taxes

The Corporation operates as a public charity under Section 501(c) (6) of the Internal Revenue Code and, accordingly, is exempt from federal and state income taxes.

The Foundation is exempt from income taxes under Code Section 501(c) (3).

The Corporation and the Foundation accounts for income taxes in accordance with income tax accounting guidance included in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Management believes it has no material uncertain tax positions and, accordingly there is no provision for income taxes in the accompanying financial statements.

The Corporation and the Foundation file Form 990 tax returns in the U.S. federal jurisdiction.

Property and Equipment

Property and equipment are stated at cost or at their estimated fair value at date of donation. Depreciation is provided using the straight-line method over the estimated useful lives of the assets with estimated lives between 3 and 15 years. Gains and losses from sales or retirements are recognized in the period of disposition.

Use of Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. Property and Equipment

Major classifications of property and equipment as of December 31, 2014 and 2013 are summarized as follows:

	<u>2014</u>	<u>2013</u>
Furniture and fixtures	\$ 25,527	\$ 22,389
Leasehold improvements	<u>6,764</u>	<u>6,764</u>
	32,291	29,153
Less: accumulated depreciation	<u>(22,492)</u>	<u>(20,380)</u>
Property and equipment, net	<u>\$ 9,799</u>	<u>\$ 8,773</u>

Depreciation expense related to the property and equipment in service was \$2,112 and \$2,346 for the years ended December 31, 2014 and 2013, respectively.

3. Retirement Plan

The Corporation has a 401(k) profit sharing plan for all full-time employees. Participants may make voluntary contributions to the plan up to a maximum of \$17,500, and are 100% vested in their contributions. The Corporation provides a 5% match of an electing participant's deferral and may make discretionary profit sharing contributions.

The Corporation's contributions to the plan were \$8,722 and \$7,473 for the years ended December 31, 2014 and 2013, respectively.

4. Related Party Transactions

During the years ended December 31, 2014 and 2013, the Corporation paid legal fees to a board member of approximately \$98 and \$3,119, respectively.

5. Concentrations

The Corporation and the Foundation typically maintain cash and cash equivalents in local banks that may, at times, exceed the FDIC limits. Management believes that this risk is limited.

The Corporation received approximately 97% and 96% of its revenue from governmental sources during the years ended December 31, 2014 and 2013, respectively. Furthermore, the Parish of Ascension provided \$391,500 and \$322,800 during the years ended December 31, 2014 and 2013; as such, the Corporation is economically dependent on the Parish of Ascension.

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

6. Restricted Cash

Restricted cash in the amount of \$276,729 and \$185,491 for the years ended December 31, 2014 and 2013 is comprised of cash designated by the Board for strategic initiatives.

7. Subsequent Events

Management has evaluated subsequent events through June 17, 2015, the date that the financial statements were available to be issued, and determined that there was no events that require disclosure. No events occurring after this date have been evaluated for inclusion in these financial statements.

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2014

ASSETS

	<u>Corporation</u>	<u>Foundation</u>	<u>Total</u>
<u>CURRENT ASSETS</u>			
Cash and cash equivalents	\$ 26,854	\$ 42,127	\$ 68,981
Restricted cash	276,729	-	276,729
Certificates of deposit	25,784	-	25,784
Total current assets	329,367	42,127	371,494
 <u>PROPERTY AND EQUIPMENT, net</u>	 9,799	 -	 9,799
 TOTAL ASSETS	 <u>\$ 339,166</u>	 <u>\$ 42,127</u>	 <u>\$ 381,293</u>

LIABILITIES AND NET ASSETS

<u>LIABILITIES</u>			
Accounts payable and accrued expenses	\$ 12,645	\$ -	\$ 12,645
Total current liabilities	12,645	-	12,645
 TOTAL LIABILITIES	 12,645	 -	 12,645
 <u>NET ASSETS</u>			
Unrestricted			
Designated by the Board for strategic initiatives	276,729	-	276,729
Undesignated	49,792	42,127	91,919
TOTAL NET ASSETS	326,521	42,127	368,648
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 339,166</u>	 <u>\$ 42,127</u>	 <u>\$ 381,293</u>

See independent accountant's review report

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

CONSOLIDATED STATEMENT OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2014

	<u>Corporation</u>	<u>Foundation</u>	<u>Total</u>
<u>REVENUES</u>			
Contributions	\$ 479,667	\$ 4,000	\$ 483,667
Interest income	206	-	206
Total revenues	<u>479,873</u>	<u>4,000</u>	<u>483,873</u>
<u>EXPENSES</u>			
Salaries	193,869	-	193,869
Payroll taxes and benefits	55,056	-	55,056
Travel and entertainment	14,862	-	14,862
Legal and professional fees	3,249	800	4,049
Office	10,453	-	10,453
Depreciation	2,112	-	2,112
Insurance and utilities	9,453	-	9,453
Rent	9,668	-	9,668
Marketing and research	16,567	256	16,823
Repairs and maintenance	10,050	-	10,050
Incentive study	119,225	-	119,225
Other	5,332	-	5,332
Total expenses	<u>449,896</u>	<u>1,056</u>	<u>450,952</u>
CHANGE IN NET ASSETS	29,977	2,944	32,921
NET ASSETS AT BEGINNING OF YEAR	<u>296,544</u>	<u>39,183</u>	<u>335,727</u>
NET ASSETS AT END OF YEAR	<u>\$ 326,521</u>	<u>\$ 42,127</u>	<u>\$ 368,648</u>

See independent accountant's review report

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

CONSOLIDATED SCHEDULE OF COMPENSATION, BENEFITS
AND OTHER PAYMENTS TO CHIEF EXECUTIVE OFFICER
YEAR ENDED DECEMBER 31, 2014

CHIEF EXECUTIVE OFFICER: Mike Eades

	<u>Totals</u>
Salary	\$ 120,031
Benefits- Insurance	1,253
Benefits- Retirement	5,750
Car Allowance	5,400
Travel	90
Registration Fees	1,470
Conference Travel	2,944
Continuing Profession Education Fees	320
Special Meals	90
	<u>\$ 137,348</u>

See independent accountant's review report

INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES

To the Board of Directors
Ascension Economic Development Corporation
Ascension Economic Development Foundation
Sorrento, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Ascension Economic Development Corporation and Ascension Economic Development Foundation, and the Legislative Auditor, State of Louisiana solely to assist the users in evaluating management's assertions about Ascension Economic Development Corporation and Ascension Economic Development Foundation's compliance with certain laws and regulations during the year ended December 31, 2014 included in the accompanying *Louisiana Attestation Questionnaire*. Management is responsible for its financial records and compliance with applicable law and regulations. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State, and Local Awards

1. Determine the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

The Ascension Economic Development Corporation received local awards from three sources including the City of Gonzales, Parish of Ascension, and the Industrial Development Board.

2. For each federal, state, and local award, randomly select 6 disbursements from each award administered during the period under examination, provided that no more than 30 disbursements would be selected.

P&N selected six disbursements per award. In total, eighteen disbursements will be selected for testing.

3. For the items selected in procedure 2, trace the six disbursements to supporting documentation as to proper amount and payee.

We examined supporting documentation for each of the selected disbursements for each local award and found that payment was for the proper amount and made to the correct payee.

4. For the items selected in procedure 2, determined if the disbursements are properly coded to the correct fund and general ledger account.

All disbursements were properly coded to the correct fund and general ledger account for each local award.

Federal, State, and Local Awards (continued)

5. For the items selected in procedure 2, determined whether the disbursements received approval from proper authorities.

Inspection of documentation supporting each of the selected disbursements indicated proper approval.

Open Meetings

Examine evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law).

Ascension Economic Development Corporation and Ascension Economic Development Foundation are only required to post a notice of each meeting and the accompanying agenda on the door of the Ascension Economic Development Corporation's office building.

Comprehensive Budget

6. For all grants exceeding five thousand dollars, determine that each applicable federal, state, or local grantor agency/agency was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

Ascension Economic Development Board provided comprehensive budgets to the applicable local grantor agencies for the programs mentioned previously. These budgets specified the anticipated uses of the funds, estimates of the duration of the projects, and plans showing specific goals and objectives that included measures of performance.

7. Review any prior year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

In the reviewed financial statements for the year ended December 31, 2014, no suggestions, recommendations, and/or comments were noted.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Ascension Economic Development Corporation and Ascension Economic Development Foundation, the Legislative Auditor (State of Louisiana), and the applicable state grantor agency/agencies and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Postthuraib + Mettenilly

June 17, 2015

**ASCENSION ECONOMICAL DEVELOPMENT CORPORATION
ASCENSION ECONOMICAL DEVELOPMENT FOUNDATION
Sorrento, Louisiana**

SCHEDULE OF FINDINGS AND RESPONSES

DECEMBER 31, 2014

NONE

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION
Sorrento, Louisiana

SCHEDULE OF PRIOR YEAR FINDINGS

DECEMBER 31, 2013

NONE

LOUISIANA ATTESTATION QUESTIONNAIRE

Postlethwaite & Netterville, APAC
326 E. Cornerview
Gonzales, LA 70737

In connection with your review of our consolidated financial statements as of December 31, 2014 and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of June 17, 2015.

Federal, State, and Local Awards

We have detailed for you the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes ☒ No []

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes ☒ No []

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes ☒ No []

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and un-allowed, and reporting and budget requirements.

Yes ☒ No []

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law).

Yes ☒ No []

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes ☒ No []

Reporting

We have complied with R.S. 24:513 (3) regarding disclosure of compensation, reimbursements, benefits, and other payments to the agency head, political subdivision head, or chief executive officer.

Yes ☒ No []

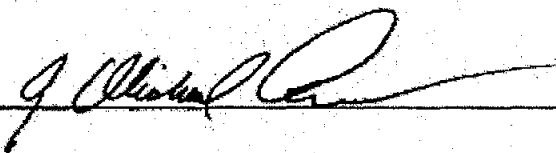
Prior Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes ☒ No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance which may occur up to the date of your report.

 President 06/24/15 Date